

EXHIBIT G

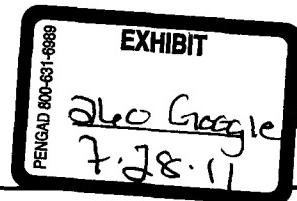
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FORM 10-K

ORACLE CORP - ORCL

Filed: July 01, 2010 (period: May 31, 2010)

Annual report which provides a comprehensive overview of the company for the past year



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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-K

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended May 31, 2010

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number: 000-51788

Oracle Corporation

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

54-2185193
(I.R.S. Employer
Identification No.)

**500 Oracle Parkway
Redwood City, California**
(Address of principal executive offices)

94065
(Zip Code)

(650) 506-7000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class
Common Stock, par value \$0.01 per share

Name of each exchange on which registered
The NASDAQ Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. YES NO

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. YES NO

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES NO

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES NO

The aggregate market value of the voting stock held by non-affiliates of the registrant was \$85,417,126,000 based on the number of shares held by non-affiliates of the registrant as of May 31, 2010, and based on the closing sale price of common stock as reported by the NASDAQ Global Select Market on November 30, 2009, which is the last business day of the registrant's most recently completed second fiscal quarter. This calculation does not reflect a determination that persons are affiliates for any other purposes.

Number of shares of common stock outstanding as of June 22, 2010: 5,026,247,000.

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different classes of assets and liabilities measured at fair value, the valuation techniques and inputs used, the activity in Level 3 fair value measurements, and the transfers between Levels 1, 2, and 3 (as defined in Note 4 below). Certain provisions of this update will be effective for us in fiscal 2012 and we are currently evaluating the impact of the pending adoption of this standards update on our consolidated financial statements.

Transfers of Financial Assets: In June 2009, the FASB issued and subsequently codified Accounting Standards Update No. 2009-16, *Transfers and Servicing (Topic 860)—Accounting for Transfers of Financial Assets* (ASU 2009-16). ASU 2009-16 eliminates the concept of a “qualifying special-purpose entity” with regards to transfer of financial assets and changes the requirements for derecognizing financial assets. We will adopt this new accounting standards update in fiscal 2011 and are currently evaluating the impact of its pending adoption on our consolidated financial statements.

Variable Interest Entities: In June 2009, the FASB issued and subsequently codified Accounting Standards Update No. 2009-17, *Consolidations (Topic 810)—Improvements to Financial Reporting by Enterprises Involved with Variable Interest Entities* (ASU 2009-17). ASU 2009-17 amends the evaluation criteria to identify the primary beneficiary of a variable interest entity as provided pursuant to existing accounting standards and requires ongoing reassessments of whether an enterprise is the primary beneficiary of the variable interest entity. We will adopt ASU 2009-17 in fiscal 2011 and are currently evaluating the impact of its pending adoption on our consolidated financial statements.

2. ACQUISITIONS

Acquisition of Sun Microsystems, Inc.

On January 26, 2010 we completed our acquisition of Sun Microsystems, Inc., a provider of hardware systems, software and services, by means of a merger of one of our wholly owned subsidiaries with and into Sun such that Sun became a wholly owned subsidiary of Oracle. We acquired Sun to, among other things, expand our product offerings by adding Sun’s existing hardware systems business and broadening our software and services offerings. We have included the financial results of Sun in our consolidated financial statements from the date of acquisition. For fiscal 2010, we estimate that Sun’s contribution to our total revenues was \$2.8 billion, which included allocations of revenues from our software and services businesses that were not separately identifiable due to our integration activities. For fiscal 2010, Sun reduced our operating income by \$620 million, which included management’s allocations and estimates of revenues and expenses that were not separately identifiable due to our integration activities, intangible asset amortization, restructuring expenses and stock-based compensation expenses.

The total purchase price for Sun was approximately \$7.3 billion and was comprised of:

(in millions, except per share amounts)

Acquisition of approximately 757 million shares of outstanding common stock of Sun at \$9.50 per share in cash	\$ 7,196
Fair values of stock options and restricted stock-based awards assumed	99
Total purchase price	\$ 7,295

The fair values of stock options assumed were estimated using a Black-Scholes-Merton option-pricing model. The fair values of unvested Sun stock options and restricted stock-based awards as they relate to post combination services will be recorded as operating expense over the remaining service periods, while the fair values of vested stock options and restricted stock-based awards, as they relate to pre combination services, are included in the total purchase price.

Preliminary Purchase Price Allocation

Pursuant to our business combinations accounting policy, the total purchase price for Sun was allocated to the preliminary net tangible and intangible assets based upon their preliminary fair values as of January 26, 2010 as

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set forth below. The excess of the purchase price over the preliminary net tangible assets and intangible assets was recorded as goodwill. The preliminary allocation of the purchase price was based upon a preliminary valuation and our estimates and assumptions are subject to change within the measurement period (up to one year from the acquisition date). The primary areas of the preliminary purchase price allocation that are not yet finalized relate to the fair values of certain tangible assets and liabilities acquired, certain legal matters, income and non-income based taxes and residual goodwill. We expect to continue to obtain information to assist us in determining the fair values of the net assets acquired at the acquisition date during the measurement period. Our preliminary purchase price allocation for Sun is as follows:

(in millions)	
Cash, cash equivalents and marketable securities	\$ 2,571
Trade receivables	1,120
Inventories	331
Goodwill	1,291
Intangible assets	3,347
In-process research and development	415
Other assets	2,035
Deferred tax assets, net	1,250
Accounts payable and other liabilities	(3,950)
Deferred revenues	(1,115)
Total preliminary purchase price	\$ 7,295

We generally do not expect the goodwill recognized to be deductible for income tax purposes.

Valuations of Intangible Assets Acquired

The following table sets forth the components of intangible assets acquired in connection with the Sun acquisition:

(Dollars in millions)	Fair Value	Useful Life
Hardware systems support agreements and related relationships	\$ 771	7 years
Developed technology	1,349	4 years
Core technology	534	4 years
Customer relationships	467	3 years
Trademarks	226	7 years
Total intangible assets subject to amortization	3,347	
In-process research and development	415	N.A.
Total intangible assets	\$ 3,762	

Hardware systems support agreements and related relationships and customer relationships represent the fair values of the underlying relationships and agreements with Sun's customers. Developed technology represents the fair values of Sun products that have reached technological feasibility and are a part of Sun's product lines. Core technology represents the fair values of the Sun processes, patents and trade secrets related to the design and development of Sun's products. This proprietary know-how can be leveraged to develop new technology and improve our existing products. Trademarks represent the fair values of brand and name recognition associated with the marketing of Sun's products and services. In-process research and development represents the fair values of incomplete Sun research and development projects that had not reached technological feasibility as of the date of acquisition.

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Preliminary Pre-Acquisition Contingencies Assumed

We have evaluated and continue to evaluate pre-acquisition contingencies relating to Sun that existed as of the acquisition date. We have preliminarily determined that certain of these pre-acquisition contingencies are probable in nature and estimable as of the acquisition date and, accordingly, have preliminarily recorded our best estimates for these contingencies as a part of the preliminary purchase price allocation for Sun. We continue to gather information for and evaluate substantially all pre-acquisition contingencies that we have assumed from Sun. If we make changes to the amounts recorded or identify additional pre-acquisition contingencies during the remainder of the measurement period, such amounts recorded will be included in the purchase price allocation during the measurement period and, subsequently, in our results of operations.

Other Fiscal 2010 Acquisitions and Proposed Acquisition of Phase Forward Incorporated and Others

During fiscal 2010, we acquired other companies and purchased certain technology and development assets to expand our product and services offerings. These acquisitions were not significant individually or in the aggregate. We have included the financial results of these companies in our consolidated results from their respective acquisition dates. The preliminary purchase price allocations for each of these acquisitions were based upon a preliminary valuation and our estimates and assumptions for certain of these acquisitions are subject to change as we obtain additional information for our estimates during the respective measurement periods. The primary areas of those purchase price allocations that are not yet finalized relate to identifiable intangible assets, certain legal matters, income and non-income based taxes and residual goodwill.

Separately, in the fourth quarter of fiscal 2010, we agreed to acquire Phase Forward Incorporated, a provider of applications for life sciences companies and healthcare providers, for \$17.00 per share in cash, amounting to approximately \$810 million. Our proposed acquisition of Phase Forward is subject to stockholder and regulatory approval and other customary closing conditions. In addition, we agreed to acquire certain other companies for amounts that are not material to our business.

Fiscal 2009 Acquisitions

During fiscal 2009, we acquired several companies and purchased certain technology and development assets to expand our product offerings. These acquisitions were not individually significant. We have included the financial results of these companies in our consolidated results from their respective acquisition dates. In the aggregate, the total purchase price for these acquisitions was approximately \$1.2 billion, which consisted of approximately \$1.2 billion in cash, \$1 million for the fair value of stock options and restricted stock-based awards assumed and \$13 million for transaction costs. In allocating the total purchase price for these acquisitions based on estimated fair values, we recorded \$708 million of goodwill, \$587 million of identifiable intangible assets, \$96 million of net tangible liabilities (resulting primarily from deferred tax and restructuring liabilities assumed as a part of these transactions) and \$10 million of in-process research and development.

Fiscal 2008 Acquisitions***BEA Systems, Inc.***

We acquired BEA Systems, Inc. on April 29, 2008 by means of a merger of one of our wholly-owned subsidiaries with and into BEA such that BEA became a wholly-owned subsidiary of Oracle. We acquired BEA to, among other things, expand our offering of middleware products. We have included the financial results of BEA in our consolidated financial results effective April 29, 2008.

The total purchase price for BEA was \$8.6 billion which consisted of \$8.3 billion in cash paid to acquire the outstanding common stock of BEA, \$225 million for the fair value of BEA stock options and restricted stock-based awards assumed and \$10 million for acquisition related transaction costs. In allocating the purchase price based on estimated fair values, we recorded approximately \$4.5 billion of goodwill, \$3.3 billion of identifiable intangible assets, \$733 million of net tangible assets and \$17 million of in-process research and development.

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Other Fiscal 2008 Acquisitions

During fiscal 2008, we acquired several other companies and purchased certain technology and development assets. Our fiscal 2008 acquisitions, other than BEA, were not significant individually or in the aggregate. We have included the effects of these transactions in our results of operations prospectively from the respective dates of the acquisitions.

Unaudited Pro Forma Financial Information

The unaudited pro forma financial information in the table below summarizes the combined results of operations for Oracle, Sun and certain other companies that we acquired since the beginning of fiscal 2009 (which were collectively significant for the purposes of unaudited pro forma financial information disclosure) as though the companies were combined as of the beginning of fiscal 2009. The pro forma financial information for all periods presented also includes the business combination accounting effects resulting from these acquisitions including our amortization charges from acquired intangible assets (certain of which are preliminary), the elimination of certain goodwill and intangible asset impairment charges incurred by Sun, stock-based compensation charges for unvested stock options and restricted stock-based awards assumed, adjustments to interest expense for borrowings and the related tax effects as though the aforementioned companies were combined as of the beginning of fiscal 2009. The pro forma financial information as presented below is for informational purposes only and is not indicative of the results of operations that would have been achieved if the acquisitions and any borrowings undertaken to finance these acquisitions had taken place at the beginning of fiscal 2009.

The unaudited pro forma financial information for fiscal 2010 combined the historical results of Oracle for fiscal 2010, the historical results of Sun for the eight months ended September 27, 2009 (due to differences in reporting periods) and the historical results for certain other companies that we acquired since the beginning of fiscal 2010 based upon their respective previous reporting periods, the dates that these companies were acquired by us, and the effects of the pro forma adjustments listed above.

The unaudited pro forma financial information for fiscal 2009 combined the historical results of Oracle for fiscal 2009, the historical results of Sun for the year ended June 30, 2009 (due to differences in reporting periods) and the historical results of certain other companies that we acquired since the beginning of fiscal 2009 based upon their respective previous reporting periods and the dates these companies were acquired by us, and the effects of the pro forma adjustments listed above. The unaudited pro forma financial information was as follows for fiscal 2010 and 2009:

(in millions, except per share data)	Year Ended May 31,	
	2010	2009
Total revenues	\$ 33,550	\$ 34,831
Net income	\$ 5,656	\$ 4,639
Basic earnings per share	\$ 1.13	\$ 0.91
Diluted earnings per share	\$ 1.11	\$ 0.90

3. CASH, CASH EQUIVALENTS AND MARKETABLE SECURITIES

Cash and cash equivalents primarily consist of deposits held at major banks, money market funds, Tier-1 commercial paper, U.S. Treasury obligations, U.S. government agency and government sponsored enterprise obligations, and other securities with original maturities of 90 days or less. Marketable securities primarily consist of time deposits held at major banks, Tier-1 commercial paper, corporate notes, U.S. Treasury obligations and U.S. government agency and government sponsored enterprise debt obligations and certain other securities.

The amortized principal amounts of our cash, cash equivalents and marketable securities approximated their fair values at May 31, 2010 and 2009. We use the specific identification method to determine any realized gains or losses from the sale of our marketable securities classified as available-for-sale. Such realized gains and losses